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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA

In re

DANA AARON LINETT,

Debtor.

CASE NO. 19-05831-LA11

Chapter 11

STATUS REPORT REGARDING
STATUS CONFERENCE

DATE: February 11, 2021

TIME: 2:00 p.m.

DEPT.: Two

JUDGE: Hon. Louise DeCarl Adler

The Debtor, Dana Aaron Linett (the "Debtor"), hereby submits the following status report in anticipation of the continued status conference scheduled for February 11, 2021 at 2:00 p.m. before the Honorable Louise DeCarl Adler and the Disclosure Statement hearing scheduled for that same date and time. Debtor's counsel apologizes for the late submission of the status report. Debtor's counsel stipulated with Barbara Linett's counsel to continue the disclosure statement hearing and agreed to work with Barbara Linett's counsel on a liquidating plan that may resolve issues raised by the Debtor in reference to Barbara Linett's original liquidating plan. Debtor's counsel assumed, wrongly, that the status conference would also be moved. Given that Debtor's counsel also did not seek any such continuance, it was inexcusable to fail to file a timely status report and Debtor's counsel apologizes to the Court once again.

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1 The Court's tentative ruling requiring Debtor's counsel's appearance raises the concern
2 that the Debtor's operating reports are behind. Debtor needs to file the November and December
3 operating reports. Debtor uses a bookkeeper to handle the operating reports, with Mr. Linett's
4 assistance and review. The bookkeeper, Jennifer Smith, had serious health issues that resulted
5 in several hospitalizations over the last few months, the first time in October of last year and the
6 next in December, 2020. Due to concerns over her immune system during her recovery, Ms.
7 Smith has been trying to do her work for the Debtor and her other clients on a remote basis. This
8 has caused further delays. Ms. Smith finished the December report late last week. The Debtor
9 has provided drafts of both November and December operating reports to Debtor's counsel and
10 counsel has reviewed the same. There are certain issues that need to be clarified in these reports,
11 but Debtor's counsel anticipates having the reports on file today or tomorrow at the very latest.
12 Debtor's counsel is attempting to coordinate any final revisions with Ms. Smith.

13 In response to the Court's indication that a conversion may be in order, the Debtor
14 believes that creditors do not support conversion at this time. A liquidating plan through a
15 liquidating trustee would give the liquidating trustee time and flexibility that a chapter 7 trustee
16 will not likely have. The Debtor has considered the option of converting to a chapter 7, but is
17 willing to work with his creditors to find a liquidating plan/liquidating trust structure that will
18 hopefully resolve his concerns about the untimely incursion of taxes and other items. The Debtor
19 and Barbara Linett are also anticipating a return to Michael Breslauer as a mediator, in an effort
20 to resolve any issues that may not be resolved through the parties directly. The continued hearing
21 on a potential disclosure statement has been set for March 18, 2021 at 2:00 p.m. If the Court is
22 willing to do so, the Debtor and Debtor's counsel would suggest continuing the status conference
23 to March 18, 2021 for further consideration on the issue of conversion. If a liquidating plan has
24 been agreed or is still taking shape at that time, the conversion can be further held off for some
25 time. If the Court is not inclined to continue this hearing, Debtor's counsel will be prepared to
26 appear at the status conference on Thursday, February 11, 2021 and discuss the operating reports
27 and its failure to submit a timely status report.

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Dated: February 9, 2021

/s/ John L. Smaha

John L. Smaha, Esq.

Gustavo E. Bravo, Esq.

Attorneys for Debtor and Debtor-in-Possession,

Dana Aaron Linett

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA**

PROOF OF SERVICE

Case No. 19-05831-LA11

In re Dana Aaron Linett

I am employed in the City of San Diego, California. I am over the age of 18 and not a party to the within action. My business address is 2398 San Diego Avenue, San Diego CA 92110.

On February 9, 2021, I caused to be served the following document(s) described as:

1. STATUS REPORT REGARDING STATUS CONFERENCE

U.S. TRUSTEE
Department of Justice
880 Front Street, Ste. 3230
San Diego, CA 92101

[X] **(BY MAIL)** I served the individual named by placing the documents in a sealed envelope. I then placed it for collection and mailing with the United States Postal Service this same day, at my address shown above, following ordinary business practice.

[X] **(To Be Served by the Court via Notice of Electronic Filing ("NEF"))**. Under controlling Local Bankruptcy Rules(s) ("LBR"), the document(s) listed above will be served by the court via NEF and hyperlink to the document. On **February 9, 2021**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the e-mail address(es) indicated and/or as checked below:

Gustavo E. Bravo:	gbravo@smaha.com
Michael D. Breslauer:	mbreslauer@swsslaw.com, wyones@swsslaw.com
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1 **John Smaha:** jsmaha@smaha.com,
2 **U.S. Trustee:** gbravo@smaha.com;mdawson@smaha.com;jteague@smaha.com
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4 I declare under penalty of perjury under the laws of the State of California that the foregoing is
true and correct. Executed on **February 9, 2021**, San Diego, California.

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6 /s/ Amelda M. Dawson
 Amelda M. Dawson

